Soldiers On Point for the Nation



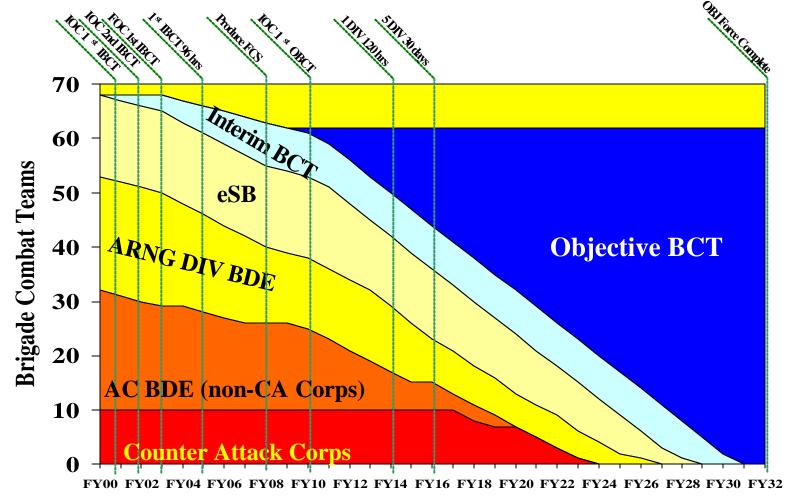
Persuasive in Peace, Invincible in War

Recapitalization of the Legacy Force BG Ross Thompson





Brigade Conversion to Objective Force



Transforms The Army while maintaining essential Legacy Warfighting readiness to execute the National Military Strategy.





Definitions

Modernization

• The development and/or procurement of new systems with improved warfighting capabilities

Recapitalization

- The rebuild and selected upgrade of currently fielded systems to ensure operational readiness and a zero time/zero mile system
 - Rebuild Restores system to a like-new condition in appearance, performance, and life expectancy; inserts new technology to improve reliability and maintainability
 - Selected Upgrade Rebuild of system and adds warfighting capability improvements to address capability shortcomings.

Maintain

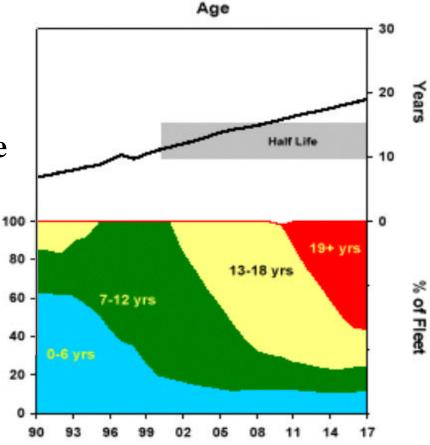
• Repair or replacement of end items, parts, assemblies, and subassemblies that wear or break

OSD Half-Life Analysis – Tanks & IFVs

At Half-Life today

Outside Half-Life band in FY08

• 60% of fleet at or beyond service life by 2017

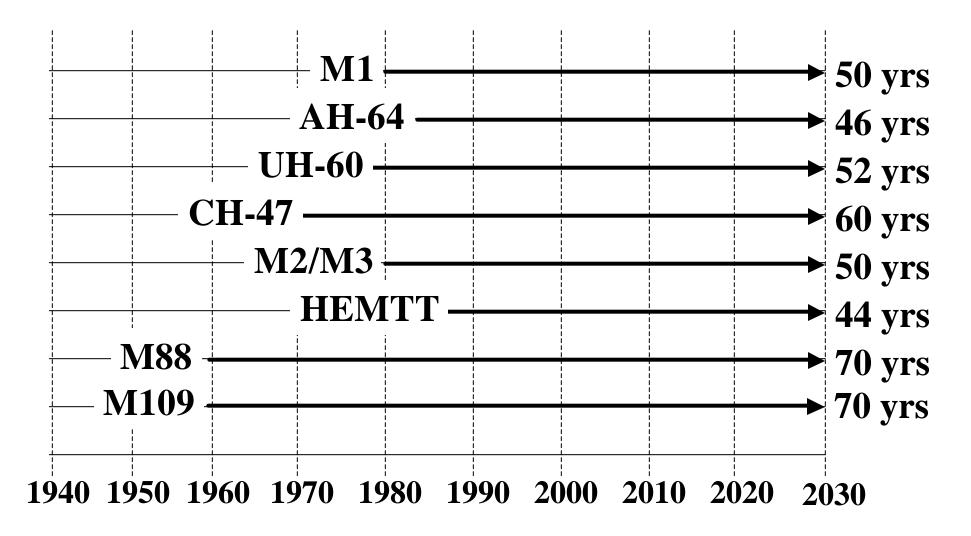


Defense Program Projection



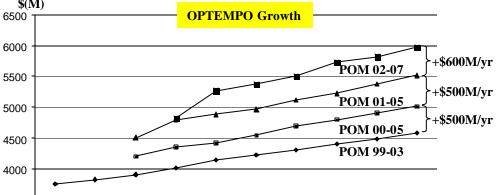
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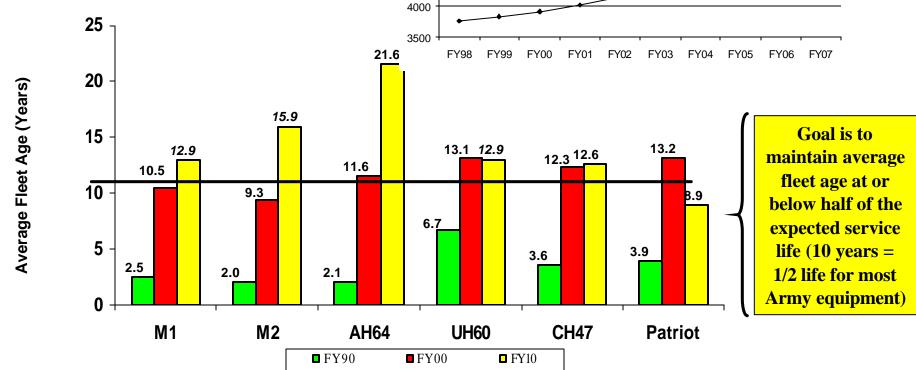
Army System Life Cycles



Aging Equipment

Cost per Hour/Mile				
System	FY96	FY99	<u>Change</u>	
M1A1 Abrams	\$145	\$178	+22%	
AH-64 Apache	\$4,763	\$6,164	+29%	
UH-60 Blackhawk	\$1,374	\$1,334	-3%	
CH-47D Chinook	\$1,944	\$2,485	+27%	
M2/M3 Bradley	\$48	\$54	+13%	





OPTEMPO costs have grown 30% over the last three years.



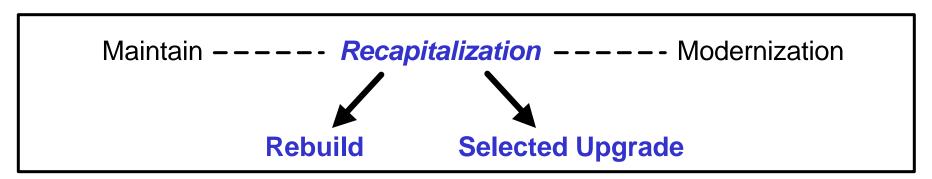


The Solution: Recapitalization

• Definition: The rebuild and selected upgrade of currently fielded systems to ensure operational readiness and a zero time/zero mile system.

Objectives:

- Improved System Reliability, Safety, Maintainability, and Efficiency
- Extended Service Life
- Reduced Operating and Support (O&S) Cost
- Enhanced Capability
- Technical/Engineering Data ← → Components ← → Systems
- OSD Half-Life Metric is the measure of success



Reduce Logistics Footprint

Recapitalization Programs

Two Paths: Rebuild

Selected Upgrade

M1A1 AIM XXI*

UH-60A

CH-47D

M9 ACE

M88A1

BRADLEY A2

PATRIOT

HEMTT

SEE

FIREFINDER

ELEC SHOPS

FAASV

SUSV

Zero Time/Zero Mile Maintenance Standard

Technology Insertion

Same Model-New Life Zero Time/Zero Mile Maintenance Standard

Technology Insertion

Upgrade Warfighting Capability

New Model-New Life

31 Systems considered

- -21 selected and prioritized
- -10 not selected because:
 - Met half-life metric
 - Not cost-effective to recap; maintain only
 - Retire before 2020

M1A2 SEP* UH-60L+

CH-47F

AVLB

HERCULES *

BRADLEY A3*

MLRS A1 *

HEMTT ESP

D7 DOZER *

M113 A3 *

M915A4 *

SCRAPER

HMMWV

AH-64D

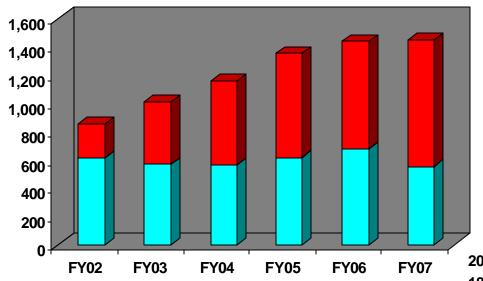
* Currently in production

Recap Programs prior to POM 02-07





Integrated Recapitalization New Standard, Increased Requirements Combat Systems



M1 Tanks Patriot*
M2 Bradley MLRS
M113 FAASV

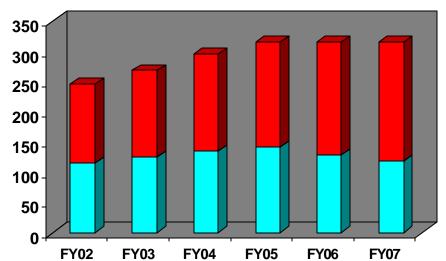
Aviation Systems



200 180 160 140 120 100 80-60-40-20 FY02 **FY03** FY04 **FY05** FY06 **FY07**

* Objective Force Potential

Integrated Recapitalization New Standard, Increased Requirements Combat Support Systems



AVLB M9 ACE Dozer* Firefinder Scraper*

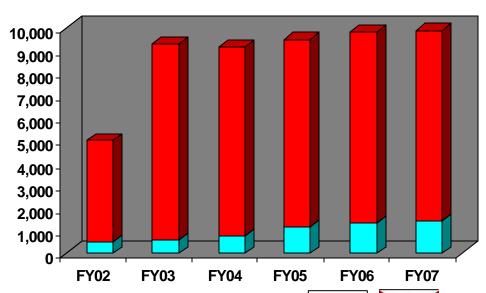
Combat Service Support Systems

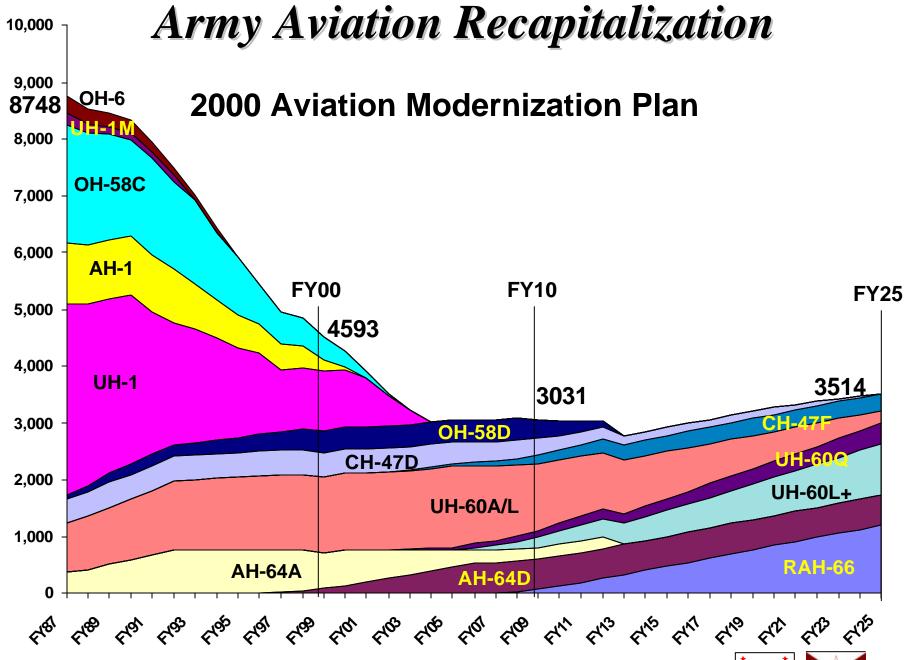
Funded Quantity

Unfunded Quantity

HMMWV* M88
Elec Shop* HEMTT*
SUSV M915*

Objective Force Potential





Teaming to Support Recapitalization

		_
SYSTEM	OEM*	DEPOT
Abrams	GDLS	Anniston
Apache	Boeing	Corpus Christi
Blackhawk	Sikorsky	Corpus Christi
Chinook	Boeing	Corpus Christi
M88	UDLP	Anniston
AVLB	GDLS	Anniston
M9 ACE	UDLP	Anniston
Bradley	UDLP	Red River
MLRS	Lockheed-UDLP	Red River
Patriot	Raytheon	Letterkenny
M113A3	UDLP	Anniston
HEMTT	Oshkosh	Red River
SEE	Daimler-Benz	Red River
M915	Freightliner	N/A
Firefinder	Raytheon Systems	Tobyhanna
Electronic Shop	N/A	Tobyhanna
FAASV	UDLP	Anniston
Dozer	Caterpillar	N/A
SUSV	Haaglungs	Red River
Scraper	Caterpillar	N/A
HMMWV	AM General	Red River

* Teaming not restricted to OEM; Army seeks best value

Conclusions

- Recapitalization is a critical element of the Army Transformation
- Recapitalization integrates rebuild and selected upgrade programs
- 21 Systems selected met age, readiness, and O&S cost criteria
- Fleet management will maintain average age at or below OSD Half-Life metric
- SSTS/STS—Components—Systems must be synchronized
- Army will do it right -- even if it means fewer systems/components are recapitalized

Recapitalization of the Current Force ensures Warfighting Readiness throughout the period of the Transformation.